STATEMENTS OF DETERMINATIONS AND BUSINESS IMPACT

Section 116275 of the Health and Safety Code mandates that the Department adopt a drinking water standard for perchlorate [maximum contaminant level (MCL)] that is set as close as possible to the public health goal (PHG: Cal/EPA risk assessment number), while considering cost and feasibility.

Pursuant to this statutory mandate, the proposed regulations would set a perchlorate MCL, establish monitoring requirements for determining public water system compliance with the MCL, and identify the appropriate treatment technology for remediating perchlorate contamination in drinking water sources (see proposed revisions to Chapter 15, Division 4, Title 22 of the California Code of Regulations).

The net effects of the proposed regulations are as follows:

- Community water systems (CWS) and nontransient-noncommunity water systems (NTNCS) would be required to monitor for, and comply with, an MCL for perchlorate;
- CWS and NTNCS that treat a drinking water source to comply with an inorganic chemical MCL would be required to monitor the treatment effluent monthly;
- CWS and NTNCS that violate the perchlorate MCL would be required to use specific health effects language for the public notification; and
- Best available technologies would be specified for perchlorate removal.

The Department has determined that the proposed regulations would not have a significant adverse impact on businesses, including the ability of California businesses to compete with businesses in other states.

The Department has determined that the regulations will not significantly affect the following:

- 1. The creation or elimination of jobs within the State of California. The requirements summarized above should not have any affect in this area in that there would not be any change in water system or regulatory personnel needed for compliance with the proposed requirements.
- 2. The creation of new businesses or the elimination of existing businesses within the State of California. The nature of the water industry is such that the proposed regulation will not result in the creation or elimination of water systems. The impact of these regulations will be insignificant.
- 3. The expansion of businesses currently doing business within the State of California. Since water system size is basically a function of the number of service connections

(consumers) served, the proposed regulations should not have any affect on expansion.

The Department has determined that the proposed regulations would not affect small business, since Government Code Chapter 3.5, Article 2, section 11342.610 excludes drinking water utilities from the definition of small business.

ALTERNATIVES CONSIDERED

The Department has determined that no alternative considered by the Department would adequately satisfy the requirements of Health and Safety Code section 116293(b).

LOCAL MANDATE DETERMINATION

The proposed regulation would not impose a mandate on local agencies that requires state reimbursement. Local agencies should not incur costs as a result of this regulation. However, if they were to incur costs, those costs would be of the following nature.

First, some local agencies would incur costs in their operation of public water systems. These costs would not be the result of a "new program or higher level of service" within the meaning of Article XIIIB, Section 6 of the California Constitution because they apply generally to all individuals and entities that operate public water systems in California and do not impose unique requirements on local governments. Therefore, no state reimbursement of these costs would be required.

Second, some local agencies could incur additional costs in discharging their responsibility to enforce the new regulations for the small public water systems (under 200 service connections) that they regulate. However, the Department has determined that any increase in the local agency costs resulting from enforcing this regulation would be insignificant. Furthermore, local agencies are authorized to assess fees to pay reasonable expenses incurred in enforcing statutes and regulations related to small public water systems, Health and Safety Code section 101325. Therefore, no reimbursement of any incidental costs to local agencies in enforcing this regulation would be required, Government Code section 17556(d).